

May 14, 2020

## FOR ACTION

### I. REQUEST

Approve the State of Hawaii's Five-Year Consolidated Plan for Program Years 2020 through 2024 (July 1, 2020 through June 30, 2025) and Annual Action Plan for Program Year 2020 (July 1, 2020 through June 30, 2021)

### II. FACTS

- A. The Consolidated Plan (CP) and Annual Action Plan (AAP) are planning documents that ensure that jurisdictions receiving federal assistance plan for the housing and related needs of low-income and moderate-income families to improve the availability and affordability of decent, safe, and sanitary housing in a suitable living environment. The Annual Action Plan is also an application for funds under the U.S. Department of Housing and Urban Development's (HUD) formula grant programs: HOME Investment Partnership (HOME), National Housing Trust Fund (HTF), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The HOME and HTF programs are administered by HHFDC and the ESG and HOPWA programs are administered by the Department of Human Services, Benefits, Employment and Support Services Division (DHS-BESSD).
- B. The CP consists of a housing and homeless needs assessment, a housing market analysis, a 5-year strategic plan that identifies general housing goals and objectives, and an action plan for how federal funds will be distributed and invested during the program year to attain the state's housing goals. The City and County of Honolulu is an entitlement jurisdiction and is required to prepare its own CP. The State's HOME, ESG and HOPWA programs focus on the non-entitlement counties of Hawaii, Kauai, and Maui, while the HTF program is used in all four counties.
- C. In September through November, 2019, HHFDC conducted public hearings in Honolulu, Hilo, Kona, Maui and Kauai to identify and prioritize the State's housing needs to be considered in the State's 5-year CP for Program Years 2020-2024 (July 1, 2020 through June 30, 2025) and the AAP for Program Year 2020 (July 1, 2020 – June 30, 2021). HHFDC also consulted with HUD, the City and County of Honolulu, and the Counties of Hawaii, Kauai and Maui, which also held public meetings in their respective counties. The draft 5-year CP and draft AAP were based on those hearings and developed in consultation with public and private service providers, as well as other government agencies.
- D. A Notice of Public Comment was published on April 1, 2020, to solicit comments on the draft 5-year CP and AAP were available for review on HHFDC's website at [www.hawaii.gov/dbedt/hhfdc](http://www.hawaii.gov/dbedt/hhfdc). Public comments were accepted through May 1, 2020; no comments were received. On May 1, 2020, a second Notice of Public Comment was published and posted to HHFDC's website to solicit comments on an amendment to the PY2020 AAP.

- E. The final CP and AAP will be submitted to HUD via its Integrated Disbursement and Information System (IDIS) upon the Board's approval.
- F. For Program Year 2020, the HHFDC is eligible to receive \$3,000,000 in HOME funds and \$3,000,000 in HTF funds. DHS-BESSD is eligible to receive \$454,632 in ESG and \$268,035 in HOPWA funds.

### III. DISCUSSION

#### A. HOME Program

Over the next 5-year CP period, the Counties of Hawaii, Kauai and Maui plan to leverage HOME funds to address the following state objectives:

- promote decent and affordable housing by financing the development of approximately 48 rental units for families and 28 rental units for the elderly, and providing tenant based rental assistance to approximately 250 households;
- strengthen communities by financing the development of an estimated 40 transitional housing units; and
- increase homeownership opportunities by financing the development of approximately 33 affordable for-sale units, 25 of which will be developed using a self-help building method, providing closing costs/downpayment assistance to two first-time homebuyers, and providing homebuyer education classes.

#### B. ESG Program

The State is eligible to receive approximately \$454,632 in Emergency Solutions Grant funds for Program Year 2020. DHS-BESSD will allocate ESG funds to assist in funding homelessness prevention and rapid re-housing activities, and for operational costs of emergency shelters in the Counties of Hawaii, Kauai, and Maui. The proposed allocation of ESG funds is expected to assist approximately:

- 175 households living on the streets and in emergency shelters with rapid re-housing financial assistance to achieve permanent housing and housing stability;
- 70 households with homeless prevention financial assistance and housing relocation/stabilization services (case management, housing search & placement, legal services, mediation, etc.) to remain in their homes; and
- 2,000 unsheltered homeless persons and 280 victims of domestic violence with emergency shelter, 122 of whom will transition from homelessness to permanent housing.

#### C. HOPWA Program

The State is eligible to receive approximately \$268,035 in HOPWA funds for Program Year 2020 to provide funds and services for homeless persons with HIV/AIDS and persons with HIV/AIDS at-risk of homelessness. DHS-BESSD has selected the Maui AIDS Foundation to serve as a centralized administrative agency to provide HOPWA-related activities for persons living with HIV/AIDS in the counties of Hawaii, Kauai and Maui. HOPWA grant funds will be used for supportive services, tenant-based rental assistance, short-term rental, mortgage, and utility payments, and permanent housing placement. Annually over the next five years, DHS-BESSD anticipates assisting:

- 500 persons with HIV/AIDS with housing information and supportive services; and
- 24 persons with housing information and rent/deposit assistance services to achieve housing stability.

D. National Housing Trust Fund

The Housing Trust Fund (HTF) was established by Title I of the Housing and Economic Recovery Act of 2008. HHFDC implemented the HTF program in 2016. Eligible uses include: 1) new construction of rental and homebuyer units; 2) acquisition or acquisition/rehabilitation of rental and homebuyer units; 3) operating costs for rental projects; and 4) administration. Due to the limited amount of HTF funds available, HHFDC focuses its funds on rental housing units for extremely low-income ( $\leq 30\%$  AMI) households in all four counties, including the City and County of Honolulu (City)

Since implementation in 2016, HHFDC has distributed one-half of its annual allocation to the City and one-half of the allocation to a neighbor island county, on the same rotation as HHFDC's HOME distribution. For PY2020, HHFDC has elected not to award HTF funds to the City, to allow the City time to identify eligible activities for its PY2018 and PY2019 HTF funds, and to build its capacity to administer the HTF program. The County of Maui will receive the entire allocation of PY2020 HTF funds. Over the next 5-year CP period, the Counties of Hawaii, Kauai and Maui and the City & County of Honolulu plan to utilize and leverage HTF funds to produce or preserve 61 affordable rental units.

E. Fair Housing

HHFDC's Analysis of Impediments for Fair Housing (AI) completed in April 2020 focused on HHFDC's internal policies and procedures to ensure compliance with fair housing. The AI recommended that 1) fair housing education be provided to HHFDC's staff; 2) HHFDC's policies and procedures be updated to reflect current fair housing requirements and that the updated policies and procedures be disseminated to the staff and public through its programs; 3) fair housing education for landlords, tenants, agencies and the general public be continued; and 4) HHFDC documents its efforts to overcome patterns of segregation in favor of integrated and balanced areas of living and opportunity,

F. Consolidated Plan Goals for Program Years 2020 - 2024

The consolidated planning goals for Program Years 2020 – 2024 are shown in Exhibit A. The charts describe the community needs (Goals), activities to address those needs (Outcome Indicators), Outcome Measures, and Expected Outcomes. Progress and challenges in meeting these goals are reported annually in the Consolidated Action Plan Evaluation Report (CAPER), which is submitted to HUD in September.


#### IV. RECOMMENDATION


That the HHFDC Board of Directors:

- A. Approve the State of Hawaii's Five-Year Consolidated Plan for Program Years 2020 through 2024 (July 1, 2020 through June 30, 2025) and the Annual Action Plan for Program Year 2020 (July 1, 2020 through June 30, 2021); and

- B. Authorize the Executive Director to undertake all tasks necessary to submit and implement the Consolidated Plan and Annual Action Plan.

Attachment: Exhibit A – Consolidated Plan Goals for Program Years 2020 – 2024

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Reviewed by: Janice Takahashi, Chief Planner 

5-YEAR CONPLAN GOALS: PY2020-2024

HHFDC's HOME and HTF Programs

Objective No.	Goal	Category	Funding Source	Outcome Indicator	Outcome Unit of Measure	Outcome Expected
HR-1	Rental Housing - New Construction/Rehabilitation	Affordable Housing	HOME	Rental units constructed	Housing Unit	46
				Rental units rehabilitated	Housing Unit	2
HR-2	Tenant Based Rental Assistance	Affordable Housing	HOME	Tenant-based rental assistance / Rapid Re-housing	Households Assisted	250
HR-3	Rental Housing for Special Needs - New Construction / Rehabilitation	Affordable Housing	HOME	Rental units constructed	Housing Unit	22
				Rental units rehabilitated	Housing Unit	6
H-1	Transitional Housing Units	Affordable Housing	HOME	Rental units rehabilitated	Housing Unit	40
				Housing for Homeless added	Housing Unit	0
HO-1	For-Sale Housing - New Construction / Rehabilitation	Affordable Housing	HOME	Homeowner Housing Added	Housing Unit	8
HO-2	For-Sale Housing - Self Help Method	Affordable Housing	HOME	Homeowner Housing Added	Housing Unit	25
HO-3	Homebuyer Financing	Affordable Housing	HOME	Direct Financial Assistance to Homebuyers	Households Assisted	2
HA-1	Program Administration	Administration	HOME & HTF	Other	Other	0
HR-4	Rental Housing - HTF New Construction/Acq/Rehab/	Affordable Housing	HTF	Rental units constructed	Housing Unit	59
				Rental units rehabilitated	Housing Unit	2

5-YEAR CONPLAN GOALS: PY2020 - 2024

DHS-BESSD's ESG and HOPWA Programs

Objective No.	Goal	Category	Funding Source	Outcome Indicator	Outcome Unit of Measure	Outcome Expected	Annual
HP-1	Emergency Shelter Operations	Homeless	ESG	Overnight Shelter for Homeless Persons	Persons Assisted	10000	2000
HP-2	Domestic Violence Emergency Shelters	Non-Homeless Special Needs		Overnight Shelter for Victims of Domestic Violence	Persons Assisted	1400	280
HP-3	Transition to Permanent Housing	Homeless		Homeless & Victims of DV Transition into Permanent Hsg.	Persons Assisted	610	122
HP-4	Rapid Re-housing	Homeless	ESG, State Funds	TBRA / Rental Assistance help to transition households into permanent housing	Households Assisted	875	175
HP-5	Rapid Re-housing, Support Services		Homelessness Prevention	Persons Assisted	2500	500	
HP-6	Homeless Prevention, Financial Assistance	At-risk of Homelessness	ESG	Housing Assistance and Services for Persons with HIV/AIDS	Households Assisted	120	24
HP-7	Homeless Prevention, Support Services		State Funds	Coordinated Entry System	Other	0	
HP-8	HOPWA Support Services	Non-Homeless Special Needs	HOPWA	Administration	Other	0	
HP-9	HOPWA Financial Assistance	Non-Homeless Special Needs	HOPWA	Administration	Other	0	
HP-10	Coordinated Entry System	Homeless and Non-Homeless Special Needs	State Funds	Administration	Other	0	
HP-11	Administration	Homeless and Non-Homeless Special Needs	HOPWA & ESG	Administration	Other	0	
HP-12	Homeless Management Information System (HMIS)	Homeless and Non-Homeless Special Needs	ESG	Administration	Other	0	

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